

**U.S. Department of the Interior
Bureau of Land Management
White River Field Office
220 E Market St
Meeker, CO 81641**

**Section 390
Categorical Exclusion for
Oil and Gas Development**

NUMBER: DOI-BLM-CO-N05-2014-0129-CX (390)

CASEFILE/PROJECT NUMBER: COC- 037933

PROJECT NAME: Koch WRD Federal 30-34 Well

LEGAL DESCRIPTION: T2N R96W NWSW Section 29

APPLICANT: Koch Exploration Company

BACKGROUND:

Originally the well location was proposed in the adjacent Section 30, and that location was onsite in August of 2013; however, during cultural inventories concerns were identified. The location was then moved to the proposed location on the existing WRD Federal 29-31 pad.

DESCRIPTION OF PROPOSED ACTION:

Proposed Action:

Koch Exploration Company (Koch) is proposing to drill an exploratory well at T2N R96W NWSW Section 29; the bottom hole for this location is in the adjacent Section 30. This is an existing pad with the WRD 29-31 well. This well pad will have to be expanded (Figure 1).

Access to this pad will be off of Rio Blanco County (RBC) Road 142 for 0.5 miles then take a left at the fork and proceed 1.8 miles, followed by heading west for 0.5 miles. No new road construction will be needed; however, the existing road will be upgraded and maintained to BLM Manual 9113 standards. This work may include improving the crown and ditch, inslope/outslope and installation of culverts. The subgrade running surface will be 14 feet. These upgrades may be up to 2.4 acres. Existing pipeline infrastructure will be utilized, the pipeline tie-in will be approximately 116 feet for up to 0.13 acres of disturbance.

Currently after interim reclamation the WRD 29-31 pad is approximately 0.8 acres. The proposed well will require the pad to be expanded 2.09 acres to 2.895 acres. The total disturbance associated with this project is approximately 4.62 acres.

Table 1: Approximate disturbance in acres during the different development phases.

	Original	Existing ¹	New Proposed ²	Total Disturbance ⁴	Interim Reclamation	Final Reclamation
Well Pad Location	1.38 ac	0.8 ac	2.09 ac	2.89 ac	0.85 ac	0.0 ac
Pipeline tie-in		0.0 ac	0.13 ac	0.13 ac	0.0 ac	0.0 ac
Access Road	3.39 ac	1.93 ac	2.4 ac ³	4.33 ac	1.93 ac	0.0 ac
Total	4.77	2.73	4.62 ac	7.35 ac	1.5 ac	0.0 ac

¹The existing acreage is reduced from the original surface disturbance because the location had undergone interim reclamation.

²New surface disturbance associated with expanding the existing location and road.

³Road upgrades, this acreage could contain previously disturbed acreage.

⁴Total disturbance associated with the well pad, pipeline, and access road (includes new disturbance and existing).

Design Features

The Surface Use Plan of Operations is incorporated as part of the Proposed Action.

Decision to be Made: The BLM will decide whether or not to approve the 30-34 well and associated pad expansion, and if so, under what conditions.

PLAN CONFORMANCE REVIEW: The Proposed Action is subject to and has been reviewed for conformance with (43 CFR 1610.5, BLM Manual 1601.08) the following plan:

Name of Plan: White River Record of Decision and Approved Resource Management Plan (ROD/RMP).

Date Approved: July 1, 1997

Decision Number/Page: Page 2-5

Decision Language: "Make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values."

CATEGORICAL EXCLUSION REVIEW: The Energy Policy Act of 2005 (P.L. 109-58) prescribed five categorical exclusions (CX) for activities whose purpose is for the exploration of oil or gas.

The Proposed Action qualifies as a categorical exclusion under the Section 390 of the Energy Policy Act, #1: *"Individual surface disturbances of less than five acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to the NEPA has been previously completed."*

Documentation

The BLM NEPA Handbook (H-1790-1) provides specific instructions for using this CX.

1) Is surface disturbance associated with the Proposed Action less than five acres?

Yes, total new surface disturbance associated with the well pad expansion, pipeline tie-in and access road would be 4.62 acres.

2) *Is there less than 150 acres of surface disturbance, including the Proposed Action, on the entire leasehold?*

The estimated amount of disturbance on the COC-0127221 lease utilizing aerial photography is approximately 77 acres. Even with the additional acreage from the expansion the total is less than the 150 acres disturbance.

3) *Is the Proposed Action within the boundaries of an area included in a site-specific NEPA document? (The NEPA document must have analyzed the exploration and/or development of oil and gas (not just leasing) and the action/activity being considered must be within the boundaries of the area analyzed in the environmental assessment (EA) or environmental impact statement (EIS). The NEPA document need not have addressed the specific permit or application being considered.)*

Yes, the White River Dome Plan of Development EA-CO-017-99-33 covered the area that the well pad is included within, as well as was the document used for the approval of the WRD-29-31 well location.

INTERDISCIPLINARY REVIEW:

The Proposed Action was presented to, and reviewed by, the White River Field Office interdisciplinary team on September 16, 2014. A list of resource specialists who participated in this review is available upon request from the White River Field Office. The table below lists resource specialists who provided additional remarks concerning cultural resources and special status species.

Name	Title	Resource	Date
Michael Selle	Archaeologist	Cultural Resources, Native American Religious Concerns	10/1/2014
Ed Hollowed	Wildlife Biologist	Special Status Wildlife Species	9/18/2014
Heather Woodruff	Ecologist	Special Status Plant Species	10/7/2014

REMARKS:

Cultural Resources: The original WRD 29-31 well pad and access have been inventoried at the Class III (100 percent pedestrian) level (McDonald 1998a compliance dated 11/3/1998, 2000 compliance dated 7/12/2000) to encompass a ten acre well pad. Provided that the new well disturbance area does not extend more than 300 feet from the current well bore location there will be no new impacts to any known cultural resources

Native American Religious Concerns: No Native American religious concerns are known in the area, and none have been noted by Northern Ute Tribal authorities. Should recommended inventories or future consultations with Tribal authorities reveal the existence of such sensitive properties, appropriate mitigation and/or protection measures may be undertaken.

Paleontological Resources: The Proposed Action is located in an area generally mapped as the Wasatch Formation (Tweto 1979), which the BLM has categorized as a Potential Fossil Yield Classification (PFYC) 5 formation indicating that it is known to produce scientifically noteworthy fossil resources (c Armstrong and Wolny 1989, Doi 1990). Should it become necessary to excavate into the underlying sedimentary rock formation to construct a new drilling location, including but not necessarily limited to pad, cuttings/blooiie/reserve pit or well tie pipeline there is a potential to impact scientifically noteworthy fossil resources. If any fossil resources are encountered during construction it is likely to represent an adverse impact to the fossil resources from loss of context and likely loss of individual fossils. Any loss of fossils and their context would constitute a permanent, long term, irreversible and irretrievable loss of data from the regional paleontological database.

Threatened and Endangered Wildlife Species: Proposed activity would involve Wyoming big sagebrush benches and swales that are known to support a small number of greater sage-grouse on a year-round basis. The existing pad has been situated in a manner that would minimize the involvement of suitable habitat from pad expansion, however, development activities would subject over 100 acres of suitable nest and brood habitat to disruptive influences attributable to pad and pipeline construction, drilling, and completion activities. In an effort to reduce cumulative levels of adverse behavioral effects imposed on nesting and brooding grouse, construction, drilling and completion activities would not be allowed between April 1 and July 15.

The project area is also encompassed by big game severe winter range. Development activities that take place while big game occupy these ranges would be expected to disrupt normal patterns of animal use and distribution on up to 600 acres of winter range. In an effort to reduce cumulative levels of adverse behavioral and physiological effects imposed on wintering big game (e.g., avoidance of forage and cover resources in close proximity to activity, increased metabolic and energetic demands associated with avoidance movements and heightened state of alert), pad and pipeline construction, drilling, and completion activity would not be allowed between January 1 and April 30.

Special Status Plant Species: The proposed pad is surrounded by mapped suitable habitat for Piceance bladderpod (*Lesquerella parviflora*), Duchesne milkvetch (*Astragalus duchesnensis*), Debris milkvetch (*Astragalus detritalis*), and Narrow-stem gilia (*Aliciella stenothyrsa*) (Environmental Planning Group (EPG), 2014). Plant surveys from 2014 resulted in mapped suitable plant habitat, but no plants were found to inhabit any of the suitable habitat locations at this time. Since no plants were found during the surveys, special status plant species (SSPS) will not be affected by the Proposed Action.

REFERENCES CITED:

Armstrong, Harley J., and David G. Wolny
1989 Paleontological Resources of Northwest Colorado: A Regional Analysis. Museum of Western Colorado, Grand Junction, Colorado.

Doi, Kentaro

- 1990 Geology, and Paleontology of Two Primate Families of the Raven Ridge, Northwestern Colorado and Northeastern Utah. Unpublished master's thesis, University of Colorado, Boulder, Colorado. Manuscript on file WRFO, Meeker, Colorado.

Environmental Planning Group, LLC (EPG).

- 2014 White River Dome Prospect Special Status Plant and Noxious Weed Survey Report. 2014. Denver, Colorado.

McDonald, Kae

- 1998 Tom Brown, Inc., WRD Unit 29-31 Well Location and Access Road: Class III Cultural Resource Inventory, Rio Blanco County, Colorado. Metcalf Archaeological Consultants, Inc., Eagle, Colorado. (98-54-17: OAH # RB.LM.R358)
- 2000 Addendum: Tom Brown, Inc., WRD 29-31 Well Pad and Access Road: Class III Cultural Resource Inventory Rio Blanco County, Colorado. Metcalf Archaeological Consultants, Inc., Eagle, Colorado. (00-54-05: OAH # RB.LM.R358)

Tweto, Ogden

- 1979 Geologic Map of Colorado. United States Geologic Survey, Department of the Interior, Reston, Virginia.

MITIGATION:

Conditions of Approval for the previous well on the location still apply as well as additional mitigation below:

1. Koch Exploration Company is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. Koch Exploration Company will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. Koch Exploration Company, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.

3. Pursuant to 43 CFR 10.4(g), Koch Exploration Company must notify the AO, by telephone and written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4(c) and (d), Koch Exploration Company must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.
4. Koch Exploration Company is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for disturbing or collecting vertebrate or other scientifically-important fossils, collecting large amounts of petrified wood (over 25lbs./day, up to 250lbs./year), or collecting fossils for commercial purposes on public lands.
5. If any paleontological resources are discovered as a result of operations under this authorization, Koch Exploration Company or any of his agents must stop work immediately at that site, immediately contact the BLM Paleontology Coordinator, and make every effort to protect the site from further impacts, including looting, erosion, or other human or natural damage. Work may not resume at that location until approved by the AO. The BLM or designated paleontologist will evaluate the discovery and take action to protect or remove the resource within 10 working days. Within 10 days, the operator will be allowed to continue construction through the site, or will be given the choice of either (a) following the Paleontology Coordinator's instructions for stabilizing the fossil resource in place and avoiding further disturbance to the fossil resource, or (b) following the Paleontology Coordinator's instructions for mitigating impacts to the fossil resource prior to continuing construction through the project area.
6. Any excavations into the underlying native sedimentary rock must be monitored by a permitted paleontologist. The monitoring paleontologist must be present before the start of excavations that may impact bedrock.
7. Higher intensity development activities, such as pad and pipeline construction, drilling, and completions would not be allowed during sage-grouse the nesting and early brood-rearing period (April 1 through July 15) and during the big severe winter range period (January 1 through April 30). This would allow for higher intensity development activity to take place between July 16 and December 31.

MONITORING AND COMPLIANCE: On-going compliance inspections and monitoring of drilling, production, and post-production activities will be conducted by White River Field Office staff during construction of well pads, access roads, and pipelines. Specific mitigation developed in the associated Categorical Exclusion and the lease terms and conditions will be followed. The Operator will be notified of compliance related issues in writing, and depending on the nature of the issue(s), will be provided 30 days to resolve such issues.

NAME OF PREPARER: Ryan Snyder

NAME OF ENVIRONMENTAL COORDINATOR: Heather Sauls

COMPLIANCE WITH NEPA

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy.

SIGNATURE OF AUTHORIZED OFFICIAL:

Heather Sauls
Acting Field Manager

DATE SIGNED: 10/22/14

ATTACHMENTS:

Figure 1: Map depicting the location of the proposed well.

Figure 1: Map depicting the location of the proposed well.

Koch 30-34 Well



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DECISION

PROJECT NAME: Koch WRD Federal 30-34 Well

CATEGORICAL EXCLUSION NUMBER: DOI-BLM-CO-N05-2014-0129-CX

DECISION

It is my decision to implement the Proposed Action, as mitigated in DOI-BLM-CO-N05-2014-0129-CX, authorizing the construction, operation, and maintenance of the proposed WRD Federal 30-34 well.

Mitigation Measures

Conditions of Approval for the previous well on the location still apply as well as additional mitigation below:

1. Koch Exploration Company is responsible for informing all persons who are associated with the project that they will be subject to prosecution for knowingly disturbing archaeological sites or for collecting artifacts.
2. If any archaeological materials are discovered as a result of operations under this authorization, activity in the vicinity of the discovery will cease, and the BLM WRFO Archaeologist will be notified immediately. Work may not resume at that location until approved by the AO. Koch Exploration Company will make every effort to protect the site from further impacts including looting, erosion, or other human or natural damage until BLM determines a treatment approach, and the treatment is completed. Unless previously determined in treatment plans or agreements, BLM will evaluate the cultural resources and, in consultation with the State Historic Preservation Office (SHPO), select the appropriate mitigation option within 48 hours of the discovery. Koch Exploration Company, under guidance of the BLM, will implement the mitigation in a timely manner. The process will be fully documented in reports, site forms, maps, drawings, and photographs. The BLM will forward documentation to the SHPO for review and concurrence.
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the discovery and protect it for 30 days or until notified to proceed by the AO.

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COMPLIANCE WITH LAWS & CONFORMANCE WITH THE LAND USE PLAN

This decision is in compliance with the Endangered Species Act and the National Historic Preservation Act. It is also in conformance with the 1997 White River Record of Decision/Approved Resource Management Plan.

PUBLIC INVOLVEMENT

Internal scoping was initiated when the project was presented to the White River Field Office (WRFO) interdisciplinary team on September 16, 2014. External scoping was conducted by posting this project on the WRFO's on-line National Environmental Policy Act (NEPA) register on September 16, 2014. Include other scoping that was conducted (meetings, mailings, press releases).

RATIONALE

The Proposed Action is categorically excluded from further documentation under the National Environmental Policy Act (NEPA) in accordance with Section 390 of the Energy Policy Act. This well location was originally proposed at a different location, but because of resource conflict moved to an existing pad and thus minimizing the amount of disturbance. This project will have less than 5 acres of disturbance on a lease with less than 150 acres of oil and gas disturbance.

ADMINISTRATIVE REMEDIES

State Director Review

Under regulations addressed in 43 CFR 3165.3(b), any adversely affected party that contests a decision of the Authorized Officer may request an administrative review, before the State Director, either with or without oral presentation. Such request, including all supporting documentation, shall be filed in writing with the BLM Colorado State Office at 2850 Youngfield Street, Lakewood, Colorado 80215 within 20 business days of the date such decision was received or considered to have been received. Upon request and showing of good cause, an extension may be granted by the State Director. Such review shall include all factors or circumstances relevant to the particular case.

Appeal

Any party who is adversely affected by the decision of the State Director after State Director review, under 43 CFR 3165.3(b), of a decision may appeal that decision to the Interior Board of Land Appeals pursuant to the regulations set out in 43 CFR Part 4.

SIGNATURE OF AUTHORIZED OFFICIAL:

Heather Sauls
Acting Field Manager

DATE SIGNED: 10/22/14

